

**CITY OF GREAT BEND, KANSAS**

Financial Statements With Independent Auditors' Report

For the Year Ended December 31, 2010

**CITY OF GREAT BEND, KANSAS**  
Financial Statements With Independent Auditors' Report  
For the Year Ended December 31, 2010

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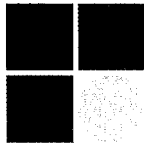
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Certified  
Public  
Accountants

## INDEPENDENT AUDITORS' REPORT

To the Mayor and City Council  
**City of Great Bend, Kansas**  
Great Bend, Kansas

We have audited the accompanying financial statements of **City of Great Bend, Kansas**, as of and for the year ended December 31, 2010, as listed in the table of contents. These financial statements are the responsibility of **City of Great Bend, Kansas'** management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As described more fully in Note 1, **City of Great Bend, Kansas** has prepared these financial statements using accounting practices prescribed or permitted by the State of Kansas, whose practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **City of Great Bend, Kansas**, as of December 31, 2010, or the changes in its financial position for the year then ended. Further, **City of Great Bend, Kansas** has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of each fund of **City of Great Bend, Kansas**, as of December 31, 2010, and their respective cash receipts and disbursements and budgetary results for the year then ended on the basis of accounting described in Note 1.

**City of Great Bend, Kansas**

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In accordance with *Government Auditing Standards*, we have also issued our report dated September 12, 2011, on our consideration of **City of Great Bend, Kansas'** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise **City of Great Bend, Kansas'** financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The schedule of expenditures of federal awards is the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Adams, Brown, Beran & Ball, Chtd*

**ADAMS, BROWN, BERAN & BALL, CHTD.**

Certified Public Accountants

September 12, 2011

**CITY OF GREAT BEND, KANSAS**  
Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
For the Year Ended December 31, 2010

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Fund Categories</b>							
<b>General Fund</b>	\$ 4,871,674	-	10,972,397	10,848,062	4,996,009	395,095	5,391,104
<b>Special Revenue Funds</b>							
Special Parks and Recreation Fund	90,512	-	36,303	53,801	73,014	1,713	74,727
Special Alcohol Program Fund	26,106	-	34,411	46,524	13,993	-	13,993
Special Liability Expense Fund	164,941	-	270,694	214,315	221,320	148,537	389,857
Library Fund	42,016	-	526,975	536,854	32,137	-	32,137
Convention and Tourism Fund	212	-	236,845	210,000	27,057	-	27,057
Cemetery Perpetual Fund	183,293	-	15,262	-	198,555	-	198,555
Perpetual Care North Cemetery Fund	15,900	-	4,050	-	19,950	-	19,950
Special Street Fund	479,906	-	496,543	554,360	422,089	6,369	428,458
Economic Development Fund	1,676,256	-	392,791	227,530	1,841,517	59,825	1,901,342
Cemetery Improvement Fund	152,964	-	235	31,334	121,865	-	121,865
Sales Tax Infrastructure Fund	469,726	-	779,929	263,620	986,035	-	986,035
Capital Improvements Reserve Fund	4,836,603	-	399,412	1,476,037	3,759,978	7,112	3,767,090
Youth Activities Fund	40,335	-	47,984	61,573	25,746	943	27,689
Aquatic Facility Fund	95,261	-	161,995	140,626	116,630	163	116,793
Tourism Attraction Grant Fund	67,762	-	120	6,426	61,456	-	61,456
Health Insurance Benefit Fund	231,257	-	157	-	231,414	-	231,414
Law Enforcement Grant Fund	2,925	-	56,950	18,836	41,039	-	41,039
KDOT Grant Fund	848,756	-	449,632	244,164	1,054,224	187	1,054,411
<b>Debt Service Fund</b>							
Bond and Interest Fund	444,726	-	1,244,223	1,271,513	417,436	-	417,436
<b>Capital Project Funds</b>							
Fire Grant Fund	-	-	86,544	86,544	-	-	-
Airport Grant Fund	93,294	-	440,018	509,733	23,579	108,439	132,018
Baseball Complex Fund	1,208,874	-	1,833,870	1,749,757	1,292,987	352,835	1,645,822
Zoo Development Fund	466,373	-	1,022	108,274	359,121	3,562	362,683
Sewer Line Replacement Fund	198,357	-	1,449,681	957,422	690,616	70,969	761,585
Sales Tax Improvement Fund	759,238	-	275,312	367,082	667,468	-	667,468
CDBG ARRA Streets Fund	34,069	-	341,812	350,633	25,248	-	25,248
<b>Permanent Fund</b>							
Jason Trester Cemetery Trust Fund	348,040	-	8,442	3,835	352,647	-	352,647
<b>Proprietary Fund Category</b>							
<b>Enterprise Funds</b>							
Sewer Disposal Fund	1,497,632	-	1,965,450	2,005,007	1,468,075	64,059	1,522,134
Sewage Treatment Plant Fund	246,570	-	904	-	247,474	-	247,474
Water Utility Fund	577,501	-	1,728,164	1,801,948	503,717	28,783	532,500
Water Improvements Fund	411,418	-	84	-	411,502	-	411,502
Airport T-Hanger Rental Fund	101,089	-	79,160	63,143	117,106	5,321	122,427
Airport Self-Fueling Fund	39,187	-	175,047	208,864	5,370	27,352	32,722
<b>Fiduciary Fund Category</b>							
<b>Private Purpose Trust Fund</b>							
Economic Development Revolving Loan Fund	223,871	-	3,765	57,341	170,295	49	170,344
<b>Total Primary Government (carried forward)</b>	\$ 20,946,644	-	24,516,183	24,475,158	20,987,669	1,281,313	22,268,982

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
For the Year Ended December 31, 2010

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>Total Primary Government (brought forward)</b>	\$ 20,946,644	-	24,516,183	24,475,158	20,987,669	1,281,313	22,268,982
<b>Component Unit</b>							
Public Library	94,711	-	654,004	663,507	85,208	6,140	91,348
<b>Total Reporting Entity (Excluding Agency Funds)</b>	\$ 21,041,355	-	25,170,187	25,138,665	21,072,877	1,287,453	22,360,330
<b>Composition of Cash</b>							
			Checking Accounts			\$	10,262,530
			Petty Cash				2,075
			Certificates of Deposits				12,035,000
			Total Primary Government				22,299,605
			Total Component Unit				91,348
			Agency Funds per Statement 4				(30,623)
			<b>Total Reporting Entity (Excluding Agency Funds)</b>			\$	22,360,330

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
Summary of Expenditures - Actual and Budget  
For the Year Ended December 31, 2010

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
<b>Governmental Fund Categories</b>					
<b>General Fund</b>					
General Fund	\$ 15,216,000	-	15,216,000	10,848,062	(4,367,938)
<b>Special Revenue Funds</b>					
Special Parks and Recreation Fund	69,000	-	69,000	53,801	(15,199)
Special Alcohol Program Fund	50,000	-	50,000	46,524	(3,476)
Special Liability Expense Fund	357,000	-	357,000	214,315	(142,685)
Library Fund	544,000	-	544,000	536,854	(7,146)
Convention and Tourism Fund	210,000	-	210,000	210,000	-
Cemetery Perpetual Fund	12,000	-	12,000	-	(12,000)
Perpetual Care North Cemetery Fund	93,000	-	93,000	-	(93,000)
Special Street Fund	741,000	-	741,000	554,360	(186,640)
Aquatic Facility Fund	185,000	-	185,000	140,626	(44,374)
<b>Debt Service Fund</b>					
Bond and Interest Fund	1,545,000	-	1,545,000	1,271,513	(273,487)
<b>Proprietary Fund Category</b>					
<b>Enterprise Funds</b>					
Sewer Disposal Fund	2,142,000	-	2,142,000	2,005,007	(136,993)
Water Utility Fund	1,901,000	-	1,901,000	1,801,948	(99,052)
Airport T-Hanger Rental Fund	106,000	-	106,000	63,143	(42,857)
Airport Self-Fueling Fund	1,000,000	-	1,000,000	208,864	(791,136)

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**General Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2010  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 2,406,933	2,480,864	2,740,000	(259,136)
Neighborhood Revitalization	97,459	122,335	82,000	40,335
Delinquent	71,932	96,074	40,200	55,874
Motor Vehicle	475,944	489,379	486,996	2,383
Local Alcohol Liquor	45,607	65,266	45,394	19,872
County Sales	2,101,194	2,082,543	2,000,000	82,543
City Sales	2,682,378	2,590,064	2,675,000	(84,936)
Machinery and Equipment Slider	17,331	-	-	-
Federal Aid	45,926	6,571	-	6,571
State Aid	646	-	-	-
Other Grant Revenue	11,191	11,191	-	11,191
Ambulance Service	723,189	690,554	648,000	42,554
Airport Income	108,175	122,743	64,000	58,743
Franchise Fees	1,313,968	1,178,695	1,093,000	85,695
Rural Fire Protection	90,833	90,833	90,000	833
Licenses, Fees and Permits	68,876	60,925	71,000	(10,075)
Charges for Services	53,800	58,058	42,000	16,058
Donations	70,292	44,696	27,000	17,696
Police Fines and Charges	346,386	335,841	352,000	(16,159)
Reimbursed Expenses	99,463	128,605	45,000	83,605
Sales of Assets	37,429	114,755	20,000	94,755
Raptor Center Sales	17,276	18,548	25,000	(6,452)
Building Rental	15,518	1,537	7,410	(5,873)
Interest Income	204,442	101,320	175,000	(73,680)
Transfers In	114,761	81,000	233,000	(152,000)
<b>Total Cash Receipts</b>	<b>\$ 11,220,949</b>	<b>10,972,397</b>	<b>10,962,000</b>	<b>10,397</b>

The notes to the financial statements are an integral part of this statement.

## CITY OF GREAT BEND, KANSAS

## General Fund

## Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2010

(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Expenditures</b>				
Administrative Finance	\$ 452,061	468,339	486,000	(17,661)
Public Safety				
Police Department	1,882,590	2,024,883	2,204,000	(179,117)
Fire Department	1,769,892	1,814,510	1,948,000	(133,490)
Flood Control	106,955	123,850	192,000	(68,150)
Municipal Court	174,724	163,459	166,000	(2,541)
Engineering	126,830	226,854	239,000	(12,146)
Street Department	431,218	470,950	553,000	(82,050)
Zoo	435,517	457,896	495,000	(37,104)
Park Department	651,107	673,583	757,000	(83,417)
Cemetery	188,757	203,801	208,000	(4,199)
Airport	215,752	225,151	212,000	13,151
Other Agencies	285,056	304,380	404,000	(99,620)
Contingencies	126,690	137,264	489,000	(351,736)
Capital Outlay	471,072	227,934	5,203,000	(4,975,066)
Economic Development	-	-	335,000	(335,000)
Employee Benefits	217,200	184,564	282,000	(97,436)
Commission on Aging	131,413	130,473	135,000	(4,527)
Transfers Out	3,280,459	2,877,518	770,000	2,107,518
Neighborhood Revitalization Rebate	114,328	132,653	138,000	(5,347)
<b>Total Expenditures</b>	<u>11,061,621</u>	<u>10,848,062</u>	<u>15,216,000</u>	<u>(4,367,938)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	159,328	124,335		
<b>Unencumbered Cash - Beginning</b>	<u>4,712,346</u>	<u>4,871,674</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>4,871,674</u>	<u>4,996,009</u>		

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Special Parks and Recreation Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2010  
With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Local Alcohol Liquor	\$ 45,607	34,411	45,394	(10,983)
Miscellaneous	2,045	1,892	1,606	286
<b>Total Cash Receipts</b>	47,652	36,303	47,000	(10,697)
<b>Expenditures</b>				
Contractual Services	10,370	12,529	41,000	(28,471)
Commodities	5,620	11,272	28,000	(16,728)
Transfers Out	-	30,000	-	30,000
<b>Total Expenditures</b>	15,990	53,801	69,000	(15,199)
<b>Cash Receipts Over (Under) Expenditures</b>	31,662	(17,498)		
<b>Unencumbered Cash - Beginning</b>	58,850	90,512		
<b>Unencumbered Cash - Ending</b>	\$ 90,512	73,014		

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Special Alcohol Program Fund**  
 Statement of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2010  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Local Alcohol Liquor	\$ 45,607	34,411	45,395	(10,984)
<b>Expenditures</b>				
Miscellaneous	-	2,000	-	2,000
Transfers Out	36,000	44,524	50,000	(5,476)
<b>Total Expenditures</b>	36,000	46,524	50,000	(3,476)
<b>Cash Receipts Over (Under) Expenditures</b>	9,607	(12,113)		
<b>Unencumbered Cash - Beginning</b>	16,499	26,106		
<b>Unencumbered Cash - Ending</b>	\$ 26,106	13,993		

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Special Liability Expense Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2010  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 265,432	199,208	220,000	(20,792)
Neighborhood Revitalization	10,748	9,823	-	9,823
Delinquent	7,695	7,715	6,301	1,414
Motor Vehicle	56,565	53,948	53,699	249
Machinery and Equipment Slider	1,911	-	-	-
Reimbursed Expenses	1,503	-	-	-
<b>Total Cash Receipts</b>	<b>343,854</b>	<b>270,694</b>	<b>280,000</b>	<b>(9,306)</b>
<b>Expenditures</b>				
Personal Services	50,070	49,775	53,400	(3,625)
Contractual Services	206,725	153,888	285,043	(131,155)
Neighborhood Revitalization Rebate	12,608	10,652	18,557	(7,905)
<b>Total Expenditures</b>	<b>269,403</b>	<b>214,315</b>	<b>357,000</b>	<b>(142,685)</b>
<b>Cash Receipts Over (Under) Expenditures</b>	<b>74,451</b>	<b>56,379</b>		
<b>Unencumbered Cash - Beginning</b>	<b>90,490</b>	<b>164,941</b>		
<b>Unencumbered Cash - Ending</b>	<b>\$ 164,941</b>	<b>221,320</b>		

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Library Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2010  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 404,488	408,720	451,451	(42,731)
Neighborhood Revitalization	16,378	20,155	-	20,155
Delinquent	12,062	15,828	6,951	8,877
Motor Vehicle	82,063	82,272	81,845	427
Machinery and Equipment Slider	2,912	-	-	-
<b>Total Cash Receipts</b>	517,903	526,975	540,247	(13,272)
<b>Expenditures</b>				
Appropriation to Library	503,000	515,000	515,000	-
Other Expenses	-	-	716	(716)
Neighborhood Revitalization Rebate	19,213	21,854	28,284	(6,430)
<b>Total Expenditures</b>	522,213	536,854	544,000	(7,146)
<b>Cash Receipts Over (Under) Expenditures</b>	(4,310)	(9,879)		
<b>Unencumbered Cash - Beginning</b>	46,326	42,016		
<b>Unencumbered Cash - Ending</b>	\$ 42,016	32,137		

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Convention and Tourism Fund**  
 Statement of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2010  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Transient Guest Tax	\$ 234,383	236,845	210,000	26,845
<b>Expenditures</b>				
Appropriations	234,383	210,000	210,000	-
<b>Cash Receipts Over (Under) Expenditures</b>	-	26,845		
<b>Unencumbered Cash - Beginning</b>	212	212		
<b>Unencumbered Cash - Ending</b>	\$ 212	27,057		

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Cemetery Perpetual Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2010  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Cash Receipts</b>				
Sale of Cemetery Lots	\$ 225	15,262	-	15,262
<b>Expenditures</b>				
Capital Outlay	-	-	12,000	(12,000)
<b>Cash Receipts Over (Under) Expenditures</b>	225	15,262		
<b>Unencumbered Cash - Beginning</b>	183,068	183,293		
<b>Unencumbered Cash - Ending</b>	\$ 183,293	198,555		

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Perpetual Care North Cemetery Fund**  
 Statement of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2010  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Sale of Cemetery Lots	\$ 3,375	4,050	4,000	50
<b>Expenditures</b>	-	-	93,000	(93,000)
<b>Cash Receipts Over (Under) Expenditures</b>	3,375	4,050		
<b>Unencumbered Cash - Beginning</b>	12,525	15,900		
<b>Unencumbered Cash - Ending</b>	\$ 15,900	19,950		

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Special Street Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2010  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Gasoline Tax	\$ 392,478	419,208	451,060	(31,852)
State Highway Maintenance	75,458	75,510	61,470	14,040
Interest Income	4,276	1,825	4,000	(2,175)
<b>Total Cash Receipts</b>	<u>472,212</u>	<u>496,543</u>	<u>516,530</u>	<u>(19,987)</u>
<b>Expenditures</b>				
Personal Services	532,013	554,360	597,000	(42,640)
Capital Outlay	-	-	144,000	(144,000)
<b>Total Expenditures</b>	<u>532,013</u>	<u>554,360</u>	<u>741,000</u>	<u>(186,640)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(59,801)	(57,817)		
<b>Unencumbered Cash - Beginning</b>	<u>539,707</u>	<u>479,906</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>479,906</u>	<u>422,089</u>		

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS  
Economic Development Fund  
Statement of Cash Receipts and Expenditures  
For the Year Ended December 31, 2010  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Interest Income	\$ 5,105	3,410
Donations	92,000	31,922
Loan Repayment	811,040	12,100
Transfers In	357,668	345,359
<b>Total Cash Receipts</b>	<u>1,265,813</u>	<u>392,791</u>
<b>Expenditures</b>		
Jobfest	1,000	1,000
State Complex Lobby Support	6,000	-
Employment Recruiting Project	53,238	240
Enterprise Facilitation	7,310	7,310
Chamber of Commerce	115,000	115,000
Marketing Great Bend	23,552	25,855
MyTown Project	88,000	30,000
Renaissance Faire	-	1,000
Community Recruiter	-	47,125
<b>Total Expenditures</b>	<u>294,100</u>	<u>227,530</u>
<b>Cash Receipts Over (Under) Expenditures</b>	971,713	165,261
<b>Unencumbered Cash - Beginning</b>	<u>704,543</u>	<u>1,676,256</u>
<b>Unencumbered Cash - Ending</b>	<u>\$ 1,676,256</u>	<u>1,841,517</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Cemetery Improvement Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended December 31, 2010  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Interest Income	\$ 313	235
Transfers In	70,000	-
<b>Total Cash Receipts</b>	70,313	235
<b>Expenditures</b>		
Capital Outlay	22,500	31,334
<b>Cash Receipts Over (Under) Expenditures</b>	47,813	(31,099)
<b>Unencumbered Cash - Beginning</b>	105,151	152,964
<b>Unencumbered Cash - Ending</b>	\$ 152,964	121,865

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Sales Tax Infrastructure Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended December 31, 2010  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
State Aid	\$ -	1,347
Interest Income	5,971	1,524
Transfers In	804,754	777,058
<b>Total Cash Receipts</b>	810,725	779,929
<b>Expenditures</b>		
Contractual Services	4,768	-
Capital Outlay	472,192	263,620
Transfers Out	630,000	-
<b>Total Expenditures</b>	1,106,960	263,620
<b>Cash Receipts Over (Under) Expenditures</b>	(296,235)	516,309
<b>Unencumbered Cash - Beginning</b>	765,961	469,726
<b>Unencumbered Cash - Ending</b>	\$ 469,726	986,035

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Capital Improvements Reserve Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended December 31, 2010**  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Interest Income	\$ 21,893	12,052
Donations	129,777	3,500
Reimbursed Expenses	38,786	7,027
Drag Strip Lease	9,762	-
Housing Lot Sales	12,603	-
Transfers In	719,000	376,833
<b>Total Cash Receipts</b>	<u>931,821</u>	<u>399,412</u>
<b>Expenditures</b>		
Contractual Services	27,194	29,787
Capital Outlay	379,352	211,250
Transfers Out	74,000	1,235,000
<b>Total Expenditures</b>	<u>480,546</u>	<u>1,476,037</u>
<b>Cash Receipts Over (Under) Expenditures</b>	451,275	(1,076,625)
<b>Unencumbered Cash - Beginning</b>	<u>4,385,328</u>	<u>4,836,603</u>
<b>Unencumbered Cash - Ending</b>	\$ <u><u>4,836,603</u></u>	<u><u>3,759,978</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS  
 Youth Activities Fund  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended December 31, 2010  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Donations	\$ 9,665	3,398
Interest Income	129	62
Reimbursed Expenses	206	-
Transfers In	36,000	44,524
<b>Total Cash Receipts</b>	46,000	47,984
<b>Expenditures</b>		
Personal Services	24,070	27,018
Youth Activities	22,573	34,555
<b>Total Expenditures</b>	46,643	61,573
<b>Cash Receipts Over (Under) Expenditures</b>	(643)	(13,589)
<b>Unencumbered Cash - Beginning</b>	40,978	40,335
<b>Unencumbered Cash - Ending</b>	\$ 40,335	26,746

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Aquatic Facility Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2010  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Under (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Admissions	\$ 90,490	89,841	94,000	(4,159)
Concessions	35,704	36,916	35,000	1,916
Interest Income	437	238	-	238
Reimbursed Expenses	45	-	-	-
Transfers In	35,000	35,000	35,000	-
<b>Total Cash Receipts</b>	161,676	161,995	164,000	(2,005)
<b>Expenditures</b>				
Personal Services	100,903	95,911	119,000	(23,089)
Contractual Services and Commodities	41,815	44,715	66,000	(21,285)
<b>Total Expenditures</b>	142,718	140,626	185,000	(44,374)
<b>Cash Receipts Over (Under) Expenditures</b>	18,958	21,369		
<b>Unencumbered Cash - Beginning</b>	76,303	95,261		
<b>Unencumbered Cash - Ending</b>	\$ 95,261	116,630		

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Tourism Attraction Grant Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended December 31, 2010**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)**

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Interest Income	\$ 25	120
Transfers In	60,000	-
<b>Total Cash Receipts</b>	60,025	120
<b>Expenditures</b>		
Tourism Signage	-	6,426
<b>Cash Receipts Over (Under) Expenditures</b>	60,025	(6,306)
<b>Unencumbered Cash - Beginning</b>	7,737	67,762
<b>Unencumbered Cash - Ending</b>	\$ 67,762	61,456

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Health Insurance Benefit Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended December 31, 2010**  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Interest Income	\$ 284	157
<b>Expenditures</b>	-	-
<b>Cash Receipts Over (Under) Expenditures</b>	284	157
<b>Unencumbered Cash - Beginning</b>	230,973	231,257
<b>Unencumbered Cash - Ending</b>	\$ 231,257	231,414

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Law Enforcement Grant Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended December 31, 2010  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Interest Income	\$ 19	-
Federal Aid	24,723	56,950
Transfers In	35,000	-
<b>Total Cash Receipts</b>	59,742	56,950
<b>Expenditures</b>		
Capital Outlay	62,946	18,836
<b>Cash Receipts Over (Under) Expenditures</b>	(3,204)	38,114
<b>Unencumbered Cash - Beginning</b>	6,129	2,925
<b>Unencumbered Cash - Ending</b>	\$ 2,925	41,039

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Ice Storm Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended December 31, 2010**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)**

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
State Aid	\$ 2	-
<b>Expenditures</b>		
Contractual Services	1,684	-
Capital Outlay	2,593	-
Transfers Out	33,761	-
<b>Total Expenditures</b>	38,038	-
<b>Cash Receipts Over (Under) Expenditures</b>	(38,036)	-
<b>Unencumbered Cash - Beginning</b>	38,036	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS  
 KDOT Grant Fund  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended December 31, 2010  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
State Aid	\$ 145,825	347,298
Interest Income	8,092	2,334
Transfers In	700,000	100,000
<b>Total Cash Receipts</b>	853,917	449,632
<b>Expenditures</b>		
Capital Outlay	588,420	244,164
<b>Cash Receipts Over (Under) Expenditures</b>	265,497	205,468
<b>Unencumbered Cash - Beginning</b>	583,259	848,756
<b>Unencumbered Cash - Ending</b>	\$ 848,756	1,054,224

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Bond and Interest Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2010  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 306,555	303,310	335,000	(31,690)
Neighborhood Revitalization	12,413	14,957	-	14,957
Delinquent	9,121	11,746	6,968	4,778
Motor Vehicle	70,094	62,506	62,031	475
Machinery and Equipment Slider	2,207	-	-	-
Special Assessments	107,227	106,438	70,000	36,438
Transfers In	796,000	745,266	1,056,000	(310,734)
<b>Total Cash Receipts</b>	1,303,617	1,244,223	1,529,999	(285,776)
<b>Expenditures</b>				
Principal Payments	833,942	878,564	1,034,000	(155,436)
Interest Payments	362,662	334,121	489,563	(155,442)
Commissions and Fees	8,077	7,995	-	7,995
Special Assessment Taxes	36,551	34,615	-	34,615
Neighborhood Revitalization Rebate	14,561	16,218	21,437	(5,219)
<b>Total Expenditures</b>	1,255,793	1,271,513	1,545,000	(273,487)
<b>Cash Receipts Over (Under) Expenditures</b>	47,824	(27,290)		
<b>Unencumbered Cash - Beginning</b>	396,902	444,726		
<b>Unencumbered Cash - Ending</b>	\$ 444,726	417,436		

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Fire Grant Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended December 31, 2010**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)**

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Federal Aid	\$ -	86,544
<b>Expenditures</b>		
Capital Outlay	-	86,544
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS  
 Airport Grant Fund  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended December 31, 2010  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Federal Aid	\$ 415,846	272,056
State Aid	-	117,962
Transfers In	35,000	50,000
<b>Total Cash Receipts</b>	450,846	440,018
<b>Expenditures</b>		
Capital Outlay	295,700	509,733
<b>Cash Receipts Over (Under) Expenditures</b>	155,146	(69,715)
<b>Unencumbered Cash - Beginning</b>	(61,852)	93,294
<b>Unencumbered Cash - Ending</b>	\$ 93,294	23,579

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Baseball Complex Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended December 31, 2010  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Interest Income	\$ 8,218	3,596
Donations	138,005	200,274
Loan Repayment	1,200,000	-
Transfers In	-	1,630,000
<b>Total Cash Receipts</b>	1,346,223	1,833,870
<b>Expenditures</b>		
Capital Outlay	1,011,954	1,749,757
<b>Cash Receipts Over (Under) Expenditures</b>	334,269	84,113
<b>Unencumbered Cash - Beginning</b>	874,605	1,208,874
<b>Unencumbered Cash - Ending</b>	\$ 1,208,874	1,292,987

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Zoo Development Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended December 31, 2010**  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Interest Income	\$ 1,326	1,022
Federal Aid	175,943	-
Reimbursed Expenses	3,029	-
Transfers In	300,000	-
<b>Total Cash Receipts</b>	480,298	1,022
<b>Expenditures</b>		
Capital Outlay	310,536	108,274
<b>Cash Receipts Over (Under) Expenditures</b>	169,762	(107,252)
<b>Unencumbered Cash - Beginning</b>	296,611	466,373
<b>Unencumbered Cash - Ending</b>	\$ 466,373	359,121

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Sewer Line Replacement Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended December 31, 2010**  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Federal Aid	\$ 375,293	392,707
Interest Income	1,293	321
Loan Proceeds	284,661	626,653
Transfers In	-	430,000
	<hr/>	<hr/>
<b>Total Cash Receipts</b>	661,247	1,449,681
 <b>Expenditures</b>		
Capital Outlay	980,492	957,422
	<hr/>	<hr/>
<b>Cash Receipts Over (Under) Expenditures</b>	(319,245)	492,259
 <b>Unencumbered Cash - Beginning</b>	517,602	198,357
	<hr/>	<hr/>
<b>Unencumbered Cash - Ending</b>	\$ 198,357	690,616
	<hr/> <hr/>	<hr/> <hr/>

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Sales Tax Improvement Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended December 31, 2010  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Interest Income	\$ 6,985	1,310
Transfers In	254,037	274,002
<b>Total Cash Receipts</b>	261,022	275,312
<b>Expenditures</b>		
Capital Outlay	1,759,925	367,082
<b>Cash Receipts Over (Under) Expenditures</b>	(1,498,903)	(91,770)
<b>Unencumbered Cash - Beginning</b>	2,258,141	759,238
<b>Unencumbered Cash - Ending</b>	\$ 759,238	667,468

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**CDBG ARRA Streets Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended December 31, 2010  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Federal Aid	\$ 4,999	326,812
Transfers In	64,000	15,000
<b>Total Cash Receipts</b>	68,999	341,812
<b>Expenditures</b>		
Capital Outlay	34,930	350,633
<b>Cash Receipts Over (Under) Expenditures</b>	34,069	(8,821)
<b>Unencumbered Cash - Beginning</b>	-	34,069
<b>Unencumbered Cash - Ending</b>	\$ 34,069	25,248

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Jason Trester Cemetery Trust Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended December 31, 2010**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)**

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Donations	\$ 22	-
Interest Earnings	9,459	8,442
<b>Total Cash Receipts</b>	9,481	8,442
<b>Expenditures</b>		
Capital Outlay	1,000	3,835
<b>Cash Receipts Over (Under) Expenditures</b>	8,481	4,607
<b>Unencumbered Cash - Beginning</b>	339,559	348,040
<b>Unencumbered Cash - Ending</b>	\$ 348,040	352,647

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Sewer Disposal Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2010  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Cash Receipts</b>				
Sewer Use Charges	\$ 2,005,344	1,955,964	1,987,000	(31,036)
Miscellaneous	6,570	2,125	6,000	(3,875)
Reimbursed Expenses	25,793	3,481	-	3,481
Interest Income	7,201	3,880	10,000	(6,120)
<b>Total Cash Receipts</b>	<u>2,044,908</u>	<u>1,965,450</u>	<u>2,003,000</u>	<u>(37,550)</u>
<b>Expenditures</b>				
Personal Services	889,180	916,379	995,000	(78,621)
Contractual Services and Commodities	475,139	494,717	670,000	(175,283)
Capital Outlay	73,306	7,911	11,000	(3,089)
Transfers Out	211,000	586,000	466,000	120,000
<b>Total Expenditures</b>	<u>1,648,625</u>	<u>2,005,007</u>	<u>2,142,000</u>	<u>(136,993)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	396,283	(39,557)		
<b>Unencumbered Cash - Beginning</b>	<u>1,101,349</u>	<u>1,497,632</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>1,497,632</u>	<u>1,458,075</u>		

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Sewage Treatment Plant Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended December 31, 2010**  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Interest Income	\$ 1,917	904
<b>Expenditures</b>	-	-
<b>Cash Receipts Over (Under) Expenditures</b>	1,917	904
<b>Unencumbered Cash - Beginning</b>	244,653	246,570
<b>Unencumbered Cash - Ending</b>	\$ 246,570	247,474

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Water Utility Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2010  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Water Use Charges	\$ 1,637,783	1,710,854	1,728,000	(17,146)
Miscellaneous	3,642	2,185	-	2,185
Interest Income	4,756	1,948	5,000	(3,052)
Reimbursed Expenses	195	7,957	-	7,957
Rental Income	6,516	5,220	3,000	2,220
<b>Total Cash Receipts</b>	<u>1,652,892</u>	<u>1,728,164</u>	<u>1,736,000</u>	<u>(7,836)</u>
<b>Expenditures</b>				
Personal Services	558,118	557,407	568,000	(10,593)
Contractual Services and Commodities	296,351	321,405	410,000	(88,595)
Capital Outlay	37,341	2,863	2,000	863
Debt Service	837,643	839,273	840,000	(727)
Transfers Out	81,000	81,000	81,000	-
<b>Total Expenditures</b>	<u>1,810,453</u>	<u>1,801,948</u>	<u>1,901,000</u>	<u>(99,052)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(157,561)	(73,784)		
<b>Unencumbered Cash - Beginning</b>	<u>735,062</u>	<u>577,501</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>577,501</u>	<u>503,717</u>		

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Water Improvements Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended December 31, 2010  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Interest Income	\$ 153	84
<b>Expenditures</b>	-	-
<b>Cash Receipts Over (Under) Expenditures</b>	153	84
<b>Unencumbered Cash - Beginning</b>	411,265	411,418
<b>Unencumbered Cash - Ending</b>	\$ 411,418	411,502

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Airport T-Hanger Rental Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2010  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Cash Receipts</b>				
Rental Income	\$ 59,199	55,960	62,000	(6,040)
Oil and Gas Income	5,175	22,800	-	22,800
Interest Income	784	400	1,000	(600)
<b>Total Cash Receipts</b>	65,158	79,160	63,000	16,160
<b>Expenditures</b>				
Property Taxes	-	-	500	(500)
Insurance	7,000	5,300	16,000	(10,700)
T-Hanger Management Fee	8,320	-	-	-
Building and Equipment Repairs	15,827	7,843	23,500	(15,657)
Capital Outlay	-	-	66,000	(66,000)
Transfers Out	35,000	50,000	-	50,000
<b>Total Expenditures</b>	66,147	63,143	106,000	(42,857)
<b>Cash Receipts Over (Under) Expenditures</b>	(989)	16,017		
<b>Unencumbered Cash - Beginning</b>	102,078	101,089		
<b>Unencumbered Cash - Ending</b>	\$ 101,089	117,106		

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Airport Self-Fueling Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2010  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Cash Receipts</b>				
Fuel Income	\$ 254,169	174,436	1,100,000	(925,564)
Reimbursed Expenses	142	611	-	611
<b>Total Cash Receipts</b>	<u>254,311</u>	<u>175,047</u>	<u>1,100,000</u>	<u>(924,953)</u>
<b>Expenditures</b>				
Insurance	-	-	2,000	(2,000)
Utilities	1,651	1,463	2,000	(537)
Marketing	515	1,326	1,000	326
Supplies	137	-	1,000	(1,000)
Equipment Repairs	3,545	3,659	2,000	1,659
Fuel	219,465	202,416	992,000	(789,584)
<b>Total Expenditures</b>	<u>225,313</u>	<u>208,864</u>	<u>1,000,000</u>	<u>(791,136)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	28,998	(33,817)		
<b>Unencumbered Cash - Beginning</b>	<u>10,189</u>	<u>39,187</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>39,187</u>	<u>5,370</u>		

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**CDBG Repayment Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended December 31, 2010**  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Collections	\$ 360,321	-
<b>Expenditures</b>		
CDBG Payments to the State	360,321	-
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Economic Development Revolving Loan Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended December 31, 2010**  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Collections	\$ 8,551	2,817
Interest Income	1,759	948
<b>Total Cash Receipts</b>	10,310	3,765
<b>Expenditures</b>		
Contractual Services	93,799	57,341
<b>Cash Receipts Over (Under) Expenditures</b>	(83,489)	(53,576)
<b>Unencumbered Cash - Beginning</b>	307,360	223,871
<b>Unencumbered Cash - Ending</b>	\$ 223,871	170,295

The notes to the financial statements are an integral part of this statement.

CITY OF GREAT BEND, KANSAS  
Public Library  
Statement of Cash Receipts and Expenditures  
For the Year Ended December 31, 2010  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
City Appropriations	\$ 503,000	515,000
Grants	25,949	24,741
Miscellaneous	12,858	17,232
Interest	931	448
Donations	440	891
Reimbursements	-	55,543
Rent	39,390	40,149
<b>Total Cash Receipts</b>	<u>582,568</u>	<u>654,004</u>
<b>Expenditures</b>		
Personal Services	277,573	279,196
Contractual Services	232,095	251,280
Commodities	59,039	58,396
Capital Outlay	6,536	74,635
<b>Total Expenditures</b>	<u>575,243</u>	<u>663,507</u>
<b>Cash Receipts Over (Under) Expenditures</b>	7,325	(9,503)
<b>Unencumbered Cash - Beginning</b>	<u>87,386</u>	<u>94,711</u>
<b>Unencumbered Cash - Ending</b>	<u>\$ 94,711</u>	<u>85,208</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
**Agency Funds**  
**Summary of Cash Receipts and Cash Disbursements**  
**For the Year Ended December 31, 2010**

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Municipal Court Fund	\$ 17,120	75,899	78,517	14,502
Section 125 Plan	14,311	65,180	63,552	15,939
Pay It Forward	-	2,050	1,868	182
<b>Total Agency Funds</b>	<b>\$ 31,431</b>	<b>143,129</b>	<b>143,937</b>	<b>30,623</b>

The notes to the financial statements are an integral part of this statement.

**CITY OF GREAT BEND, KANSAS**  
Notes to Financial Statements  
December 31, 2010

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**City of Great Bend, Kansas** has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statements are presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

**Reporting Entity**

The City is a municipal corporation governed by an elected nine-member council. These financial statements present the City (primary government) and its component unit. The component unit is included in the City's reporting entity because of the significance of its operational or financial relationship with the City.

The component unit section of these financial statements includes the financial data of the following discretely presented component unit. This component unit is reported separately to emphasize that it is legally separate from the City. The governing body of this component unit is appointed by the City.

**Great Bend Public Library Board**

The Great Bend Public Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. The Board's members are appointed by the City Council. The City substantially funds the Board's operations by levying tax dollars for the library.

**Use of Estimates**

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amount of unencumbered cash balances and accounts payable during the reporting period. Actual results could differ from these estimates.

**Basis of Presentation - Fund Accounting**

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following categories of funds comprise the financial activities of the City for the year ended December 31, 2010.

**Governmental Fund Categories**

**General Fund** – to account for all financial resources except those required to be reported in another fund.

**Special Revenue Funds** – to account for the proceeds of specific revenue sources that are legally restricted to expenditure for a specified purpose.

**Debt Service Fund** – to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**CITY OF GREAT BEND, KANSAS**  
Notes to Financial Statements  
December 31, 2010

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Capital Project Funds** – to account for financial resources to be used for the acquisition or construction of major capital facilities.

**Permanent Fund** – to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for the purposes that support the City's programs – that is, for the benefit of the City or its citizenry.

**Proprietary Fund Category**

**Enterprise Funds** – to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**Fiduciary Fund Categories**

**Private Purpose Trust Funds** – to account for assets held by the City as trustee or agent for others. The principal and income of these funds may be expended in the course of the fund's designated operations.

**Agency Funds** – to account for assets held by the City as trustee or agent for others.

**Statutory Basis of Accounting**

The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the statutory basis of accounting.

**Departure From Accounting Principles Generally Accepted in the United States of America**

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown non-cash assets such as receivables, inventories, and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings, and equipment owned by the City are not presented in the financial statements. Also, long-term

**CITY OF GREAT BEND, KANSAS**  
Notes to Financial Statements  
December 31, 2010

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

**Budgetary Information**

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds and enterprise funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, fiduciary funds, permanent funds, and the following special revenue funds: Economic Development Fund, Cemetery Improvement Fund, Sales Tax Infrastructure Fund, Capital Improvements Reserve Fund, Youth Activities Fund, Tourism Attraction Grant Fund, Health Insurance Benefit Fund, Law Enforcement Grant Fund, Ice Storm Fund and KDOT Grant Fund.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

**CITY OF GREAT BEND, KANSAS**  
Notes to Financial Statements  
December 31, 2010

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Deposits and Investments**

The City follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary of cash receipts, expenditures and unencumbered cash.

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investments of idle funds to time deposits, open accounts and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

**Concentration of Credit Risk**

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and K.S.A. 9-1405.

**Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City does not use "peak periods". All deposits were legally secured at December 31, 2010.

At December 31, 2010, the City's carrying amount of deposits was \$22,297,530 and the bank balance was \$22,572,413. The bank balance was held by five banks resulting in a concentration of credit risk. Of the bank balance, \$7,018,977 was covered by federal depository insurance and \$15,553,436 was collateralized with securities held by pledging financial institutions' agents in the City's name. In addition, the City had cash on hand of \$2,075.

At December 31, 2010, the Great Bend Public Library's carrying amount of deposits was \$91,348 and the bank balance was \$103,136. The Library's bank balance was held by one bank resulting in a concentration of credit risk. The entire bank balance was covered by federal depository insurance.

**Custodial Credit Risk – Investments**

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City had no investments at December 31, 2010.

**CITY OF GREAT BEND, KANSAS**  
Notes to Financial Statements  
December 31, 2010

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Compensated Absences**

**Vacation**

The City's policy regarding vacation for non-24 hour shift full-time employees is as follows:

<u>Years Worked</u>	<u>Amount Earned</u>
0-5	8 hours/month
6-14	10 hours/month
15-24	12 hours/month
25 and over	14 hours/month

The City's policy regarding vacation for 24 hour shift full-time employees is as follows:

<u>Years Worked</u>	<u>Amount Earned</u>
0-5	12 hours/month
6-14	15 hours/month
15-24	18 hours/month
25 and over	21 hours/month

Part-time employees who work at least 20 hours or more per week or 1,040 hours per year shall earn vacation at the rate of 4 hours each month of employment.

Vacation earned may not be taken until the employee completes one full year of service. The maximum accrual for vacation shall be no more than 240 hours for non-24 hour shift employees and 360 hours for 24 hour shift employees.

The Great Bend Public Library's policy regarding vacation is as follows:

Director - will accrue 22 days the first year and 22 days annually thereafter.

**Administration and Professional Staff**

- 15 days - 1 year of service
- 20 days - 1 to 10 years of service
- 22 days - 10 years or more of service

**Supervisory Personnel**

- 10 days - 1 year of service
- 15 days - 1 to 10 years of service
- 20 days - 10 years or more of service

**Support Staff**

- 5 days - 1 year of service
- 10 days - 1 to 10 years of service
- 15 days - 10 years or more of service

Part-time regular employees accrue a proportionate allowance based on the full-time allowance for their position. Part-time hourly student employees accrue no vacation time. Only upon the approval by the Director may vacation time be carried over to the next year, and then it is only allowed to accumulate up to five days.

**CITY OF GREAT BEND, KANSAS**  
Notes to Financial Statements  
December 31, 2010

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Sick Leave**

The City's policy for sick leave permits a non-24 hour shift full-time employee to earn sick leave at the rate of 8 hours per calendar month up to a maximum of 480 hours. Twenty-four hour shift full-time employees shall earn sick leave at a rate of 12 hours per calendar month up to a maximum of 720 hours. For those employees who have attained and maintained a maximum accumulation of sick leave and are terminated in good standing, the City will pay them 25% of their accumulated sick leave at their current rate of pay.

The Library's policy regarding sick leave is that full-time employees shall earn and accrue sick leave at the rate of one day per month, up to a maximum of 100 days, which is forfeited upon termination of the employee. Part-time regular employees are allowed to accrue proportionate sick leave based on number of hours worked in relation to a full-time position.

Included in the accumulated sick leave balance is an amount of the Library system's sick leave pool. The purpose of the sick leave pool is to allow staff members to contribute unused sick leave to a pool and allow participating members, who would otherwise have their pay reduced, draw from the pool to avoid having their pay reduced. The number of sick leave days that can be drawn from the pool by one individual in any one year is limited to 20 percent of the days in the pool or one month, which ever is greater. The number of sick leave days that can be drawn by all individuals is limited to the total days in the pool.

**Personal Leave**

When an employee reaches and maintains maximum accumulation of sick leave hours, the accrual shall be converted to personal leave. Conversion shall occur at the rate of 2 hours personal leave for each 8 hours of sick leave for non-24 hour shift employees with a maximum accrual of 48 hours and for 24 hour shift employees it shall accrue at the rate of 3 hours of personal leave for each 12 hours of sick leave up to a maximum of 72 hours. The City will pay employees upon approval of the department head and terminating in good standing, 100% of their accumulated personal leave at their current rate of pay.

**Injury Leave**

Full-time non-24 hour shift employees shall earn injury leave at the rate of 8 hours per calendar month with a maximum accumulation of 480 hours. Twenty-four hour shift employees shall earn 12 hours per calendar month with a maximum accumulation of 720 hours.

**Longevity Pay**

Each July, the City pays longevity pay to employees who have been employed 5 years or longer. They are paid \$10.00 for each year of service.

A potential liability for accumulated vacation, sick leave and personal leave is shown on the schedule of long-term debt.

**Deferred Compensation Plan**

The City sponsors a deferred compensation plan under the Internal Revenue Code Section 457. All employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The City is not required to make any contributions.

**CITY OF GREAT BEND, KANSAS**  
Notes to Financial Statements  
December 31, 2010

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Defined Contribution Pension Plan**

**Plan Description**

The City sponsors a defined contribution pension plan, administered by ICMA Retirement Corporation, hereafter referred to as the Plan. The Plan covers all full-time employees. The City and participants are required to contribute 4 1/2% of annual earnings for the Plan year. Earnings are defined as participant's base salary or wages. The following is a vesting schedule for the Plan:

Years of Completed Service	Vesting Percent
0	0%
1	10%
2	20%
3	40%
4	60%
5	80%
6	100%

For the year ended December 31, 2010, the amount of pension expense was \$205,438.

**Defined Benefit Pension Plan**

**Plan Description**

Great Bend Public Library contributes to the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

**Funding Policy**

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% and 6% (if hired on or after July 1, 2009) of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERS employers. The employer rate established for calendar year 2010 was 7.14% and 12.52% for KPERS retirees. The Library's employer contributions to KPERS for the years ending December 31, 2010, 2009, and 2008 were \$15,736, \$12,357 and \$11,138, respectively, equal to the required contributions for each year as set forth by the legislature.

**Other Post Employment Benefits**

As provided by K.S.A. 12-5040, the City and Library allow retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City and Library are subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City and Library make health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the City and Library under this program.

**CITY OF GREAT BEND, KANSAS**  
Notes to Financial Statements  
December 31, 2010

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Property Tax Calendar**

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Major tax distributions are made in the months of December through July. Lien dates for personal property are in March and August and lien dates for real estate property are in September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

**Restricted Assets**

Restricted cash balances are reported in various funds that are legally restricted for specified uses such as the payment of debt service and fiscal fees on long-term debt and for expenditures approved in federal and state grant contracts. Revenues derived from the operations of the airport are restricted for capital or operating costs of the airport. Also, cash is restricted in the trust funds and agency funds of the City for special purposes.

**Reimbursements**

The City records reimbursable expenditures (or expenses) in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparison, the expenditures (or expenses) are properly offset by the reimbursements.

**NOTE 2 – INTERFUND TRANSFERS**

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **City of Great Bend, Kansas'** interfund transfers and statutory authority for the year ended December 31, 2010 were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General Fund	KDOT Grant Fund	Grant Contract	\$ 100,000
General Fund	Capital Improvements Reserve Fund	K.S.A. 12-1,118	50,000
General Fund	CDBG ARRA Streets Fund	Grant Contract	15,000
General Fund	Capital Improvements Reserve Fund	K.S.A. 12-1,118	20,000
General Fund	Economic Development Fund	Resolution 090704-A	345,359
General Fund	Capital Improvements Reserve Fund	K.S.A. 12-1,118	306,833
General Fund	Baseball Complex Fund	K.S.A. 12-1,118	400,000
General Fund	Sales Tax Infrastructure Fund	Resolution 012908	777,058
General Fund	Sales Tax Improvement Fund	Resolution 012908-A	274,002
General Fund	Bond and Interest Fund	Resolution 012908-A	589,266
Special Parks and Recreation Fund	Baseball Complex Fund	K.S.A. 79-41a04	30,000
Special Alcohol Program Fund	Youth Activities Fund	K.S.A. 79-41a04	44,524
Sewer Disposal Fund	Bond and Interest Fund	K.S.A. 12-825d	156,000
Sewer Disposal Fund	Sewer Line Replacement Fund	K.S.A. 10-1204	430,000
Water Utility Fund	General Fund	K.S.A. 12-825d	81,000
Airport T-Hanger Rental Fund	Airport Grant Fund	Grant Contract	50,000
Capital Improvements Reserve Fund	Aquatic Facility Fund	K.S.A. 12-1,118	35,000
Capital Improvements Reserve Fund	Baseball Complex Fund	K.S.A. 12-1,118	1,200,000

**CITY OF GREAT BEND, KANSAS**  
Notes to Financial Statements  
December 31, 2010

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**NOTE 3 – CAPITAL PROJECTS**

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	Project Authorization	Cash Disbursements and Accounts Payable To Date
Airport Master Plan	\$ 210,499	\$ 210,499
Airport Taxiway Improvement - Grant #15 & #16	3,655,461	3,489,047
Concrete Sewer Line Rehab	2,955,275	2,022,550
10 <sup>th</sup> Street Reconstruction	714,396	687,070
Ball Field Complex	3,861,763	2,707,610
CDBG ARRA Streets	333,636	365,938

**NOTE 4 – LITIGATION**

**City of Great Bend, Kansas** is party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the City.

**NOTE 5 – RELATED PARTY TRANSACTION**

**City of Great Bend, Kansas** contracted services with Concrete Service Co, Inc., which is the employer for a council member. For the fiscal year ending December 31, 2010, the City expended \$57,850 for concrete.

The City contracted services with Joel B. Jackson, Attorney at Law, which is a council member. For the fiscal year ending December 31, 2010, the City expended \$20,068 for attorney fees.

**NOTE 6 – RISK MANAGEMENT**

**City of Great Bend, Kansas** is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has been unable to obtain workers' compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other cities in the State to participate in the Kansas Municipal Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for 141 participating members.

The City pays an annual premium to Kansas Municipal Insurance Trust for its workers' compensation insurance coverage. The agreement to participate provides that the Kansas Municipal Insurance Trust will be self-sustaining through member premiums and will reinsure through commercial companies in excess of \$500,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by Kansas Municipal Insurance Trust's management.

The City carries commercial insurance for all other risks of loss, including property, general liability, inland marine, automobile, umbrella, linebacker, and employee dishonesty. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**CITY OF GREAT BEND, KANSAS**  
Notes to Financial Statements  
December 31, 2010

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**NOTE 7 – GRANTS AND SHARED REVENUES**

**City of Great Bend, Kansas** participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the City, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

**NOTE 8 – COMPARATIVE DATA**

Comparative data for the prior year has been presented in Statement 3 in the accompanying financial statements in order to provide an understanding of changes in **City of Great Bend, Kansas'** cash and unencumbered cash balances. However, complete comparative data (presentation of prior year totals in Statement 1) has not been presented since their inclusion would make the statement unduly complex and difficult to read.

**NOTE 9 – PROMISSORY NOTE**

**City of Great Bend, Kansas** loaned MyTown L.P. \$330,000 on May 28, 2008. The note is secured by a security agreement in all equipment, machinery, accounts receivable, inventory, contract rights, furniture and fixtures or assets subsequently acquired by MyTown L.P. The note is to be paid at 4% interest per year in monthly interest only installments commencing on June 27, 2008 and for 59 months thereafter until the fifth anniversary of the loan date; thereafter, the principal amount of the note (\$330,000) shall be due and payable in 60 monthly installments in the amount of \$6,077, along with any interest accrued on the unpaid amount of principal. The economic purpose of this loan was to assist in bringing businesses to the downtown area. MyTown L.P. is two months behind with its payments as of December 31, 2010. Interest paid in 2010 was \$12,100.

**NOTE 10 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**City of Great Bend, Kansas** did not publish the financial statements for the required four quarters, showing by fund: beginning and ending balances, receipts, and expenditures along with obligation/liability information, which is a violation of K.S.A. 12-1608.

The Municipal Court had outstanding checks over two years old as of December 31, 2010, which is a violation of K.S.A. 10-816.

**NOTE 11 – CONDUIT DEBT**

From time to time, the City has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are generally payable from and secured by the project financed and if needed, additional assets or revenues of the private-sector serviced by the bond issuance. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

**CITY OF GREAT BEND, KANSAS**  
Notes to Financial Statements  
December 31, 2010

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**NOTE 11 – CONDUIT DEBT (continued)**

Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2010 there was one industrial revenue bond outstanding. The principal amount payable at December 31, 2010 could not be determined; however, the original issue of the bond was \$300,000.

**NOTE 12 – DEBT RESTRICTIONS AND COVENANTS**

**KDHE Sewer Improvement Loan**

**City of Great Bend, Kansas** entered into a loan agreement with the Kansas Department of Health and Environment to fund the improvements to the sewer treatment plant in the amount of \$5,461,790. The loan agreement requires that the City provide for the repayment of this loan by providing dedicated funds. The City is in compliance with this requirement as of December 31, 2010 as it is providing dedicated funds through a combination of sewer rates and fees charged and from a general obligation bond levy.

**KDHE Water Improvement Loan**

**City of Great Bend, Kansas** entered into a loan agreement with the Kansas Department of Health and Environment to fund the improvements for a wastewater treatment project not to exceed \$4,600,000. The loan agreement requires that the City provide for the repayment of this loan by providing dedicated funds. The City is in compliance with this requirement as of December 31, 2010.

**NOTE 13 – LONG-TERM DEBT**

**City of Great Bend, Kansas** has the following types of long-term debt.

**General Obligation Bonds**

On August 1, 2000, the City issued \$2,500,000 in Water System Improvement – Series 2000 A Bonds for the purpose of certain public water supply improvements.

On March 15, 2004, the City issued \$5,970,000 in Water System Refunding Bonds - Series 2004 for the purpose of providing funds for the refunding of \$5,865,000 in Water System Revenue, Series 1998 A Bonds.

On August 1, 2005, the City issued \$1,075,000 in Main Traffic Way Improvement Bonds - Series 2005 A for the purpose of providing funds for main traffic way improvements.

On October 15, 2007, the City issued \$1,290,000 in series 2007-A general obligation bonds for the purpose of re-paying temporary notes taken out in 2004.

On August 15, 2008, the City issued \$5,000,000 in Series 2008-A sales tax bonds for the purpose of financing the costs of constructing, reconstructing, and maintaining public streets within the City.

**KDHE Revolving Loans**

The City enacted a \$5,461,790 revolving loan agreement on April 29, 1997 with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance the construction of two activated sludge extended aeration basins. The City will use proceeds generated by the operation of the facility for loan repayment, which began March 1, 1999.

**CITY OF GREAT BEND, KANSAS**  
Notes to Financial Statements  
December 31, 2010

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**NOTE 13 – LONG-TERM DEBT (continued)**

The City enacted a revolving loan agreement not to exceed \$4,600,000 on February 6, 2009 with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance a wastewater treatment project. The City will use proceeds generated by the operation of the facility for loan repayment. As of December 31, 2010, the City expects to make future draw downs on this revolving loan and, therefore, the ending loan balance is undeterminable. The amortization schedule used to construct the following long-term debt schedule is based off the full amount of the loan and the City has begun repayment of the loan in 2011.

**CITY OF GREAT BEND, KANSAS**  
Notes to Financial Statements  
For the Year Ended December 31, 2010

**NOTE 13 - LONG-TERM DEBT (continued)**

Changes in long-term liabilities for the City for the year ended December 31, 2010, were as follows:

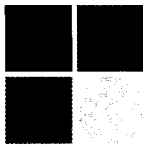
Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
<b>General Obligation Bonds</b>										
Series 2000A - Water System Improvement	4.80% - 5.25%	08/2000	\$ 2,500,000	2010	330,000	-	(330,000)	-	-	16,335
Series 2004A - Water System Refunding Bonds	2.00% - 4.00%	03/2004	5,970,000	2019	4,055,000	-	(355,000)	-	3,700,000	137,938
Series 2005A - Main Trafficway Improvement Bonds	3.00% - 4.00%	08/2005	1,075,000	2015	705,000	-	(105,000)	-	600,000	23,705
Series 2007A - Amber Meadows/Special Projects Bonds	3.50% - 4.00%	10/2007	1,290,000	2023	1,175,000	-	(60,000)	-	1,115,000	45,518
Series 2008A - Sales Tax Bonds	3.50% - 3.85%	08/2008	5,000,000	2018	4,600,000	-	(425,000)	-	4,175,000	164,266
<b>KDHE Loans</b>										
Sewer Improvement Loan	3.42%	04/1997	5,461,790	2018	2,984,732	-	(288,564)	-	2,696,168	92,349
Water Improvement Loan	3.16%	02/2009	4,600,000	2030	284,661	626,653	-	-	911,314	8,284
<b>Total Contractual Indebtedness</b>					14,134,393	626,653	(1,563,564)	-	13,197,482	488,395
<b>Compensated Absences</b>										
Component Unit Compensated Absences					495,581	-	-	(3,985)	491,596	-
					27,229	-	-	(702)	26,527	-
<b>Total Long-Term Debt</b>			\$ 14,657,203			626,653	(1,563,564)	(4,687)	13,715,605	488,395

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	2011	2012	2013	2014	2015	2016-2020	2021-2025	Total
<b>Principal</b>								
General Obligation Bonds	\$ 980,000	1,015,000	1,055,000	1,105,000	1,140,000	3,975,000	320,000	9,590,000
KDHE Loans	583,996	603,879	631,504	349,214	341,883	1,097,006	-	3,607,482
<b>Total Principal</b>	<b>1,563,996</b>	<b>1,618,879</b>	<b>1,686,504</b>	<b>1,454,214</b>	<b>1,481,883</b>	<b>5,072,006</b>	<b>320,000</b>	<b>13,197,482</b>
<b>Interest</b>								
General Obligation Bonds	342,171	310,559	276,789	241,259	203,114	424,974	25,823	1,824,689
KDHE Loans	107,582	89,224	63,706	53,492	42,926	61,676	-	418,606
<b>Total Interest</b>	<b>449,753</b>	<b>399,783</b>	<b>340,495</b>	<b>294,751</b>	<b>246,040</b>	<b>486,650</b>	<b>25,823</b>	<b>2,243,295</b>
<b>Total Principal and Interest</b>	<b>\$ 2,013,749</b>	<b>2,018,662</b>	<b>2,026,999</b>	<b>1,748,965</b>	<b>1,727,923</b>	<b>5,558,656</b>	<b>345,823</b>	<b>15,440,777</b>

**CITY OF GREAT BEND, KANSAS**

Supplementary Information



Certified  
Public  
Accountants

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Mayor and City Council  
**City of Great Bend, Kansas**  
Great Bend, Kansas

We have audited the financial statements of **City of Great Bend, Kansas** as of and for the year ended December 31, 2010, and have issued our report thereon dated September 12, 2011. The report on the audited financial statements was adverse because it was not presented in conformity with accounting principles generally accepted in the United States of America; however, it was unqualified as presented on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Except as discussed in the preceding sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered **City of Great Bend, Kansas'** internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as 2010-A and 2010-B that we consider to be significant deficiencies in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether **City of Great Bend, Kansas'** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of **City of Great Bend, Kansas**, in a separate letter dated September 12, 2011.

**City of Great Bend, Kansas'** response to the findings in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, City Council, others within the entity, federal awarding agencies and pass-through entities, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, and is not intended to be and should not be used by anyone other than these specified parties.

*Adams, Brown, Beran & Ball, Chtd.*

**ADAMS, BROWN, BERAN & BALL, CHTD.**  
Certified Public Accountants

September 12, 2011

Certified  
Public  
Accountants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT  
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Mayor and City Council  
**City of Great Bend, Kansas**  
Great Bend, Kansas

**Compliance**

We have audited **City of Great Bend, Kansas'** compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2010. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the *Kanas Municipal Audit Guide*; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **City of Great Bend, Kansas'** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, **City of Great Bend, Kansas** complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

**Internal Control Over Compliance**

Management of **City of Great Bend, Kansas** is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2010-C to be a material weakness.

**City of Great Bend, Kansas'** response to the finding identified in our audit is described in the accompany schedule of findings and questioned costs. We did not audit the City's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the management, City Council, others within the entity, federal awarding agencies and pass-through entities, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, and is not intended to be and should not be used by anyone other than these specified parties.

*Adams, Brown, Beran & Ball, Chtd.*

**ADAMS, BROWN, BERAN & BALL, CHTD.**  
Certified Public Accountants

September 12, 2011

**CITY OF GREAT BEND, KANSAS**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2010

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**FINANCIAL STATEMENTS**

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

•Material weakness identified?	<u>      </u>	Yes	<u>  X  </u>	No
•Significant deficiencies identified?	<u>  X  </u>	Yes	<u>      </u>	None reported
•Noncompliance material to financial statements noted?	<u>      </u>	Yes	<u>  X  </u>	No

**FEDERAL AWARDS**

Internal control over major programs:

•Material weakness identified?	<u>  X  </u>	Yes	<u>      </u>	No
•Significant deficiency identified?	<u>      </u>	Yes	<u>  X  </u>	None reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	<u>  X  </u>	Yes	<u>      </u>	No
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Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.228	Community Development Block Grants/State's Program and Non Entitlement Grants in Hawaii
14.255	Recovery Act - Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii
66.202	Congressionally Mandated Projects

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 300,000</u>
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Auditee qualified as low-risk auditee?	<u>      </u>	Yes	<u>  X  </u>	No
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**CITY OF GREAT BEND, KANSAS**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2010

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**SECTION II – FINANCIAL STATEMENT FINDINGS**

**A. Significant Deficiencies in Internal Control**

**2010-A**

Criteria or specific requirement

Change orders on construction contracts should be approved by the City Council prior to incurring the liability.

Condition

Approximately \$36,000 in additional expenditures over the original contract amount were approved by the City Engineer but were not approved by the City Council prior to incurring the liability. Furthermore, change orders were not received for these additional costs. Although prior approval was not made, the expenditures were approved through the normal disbursement process.

Effect

Approximately \$36,000 in additional expenditures over the original contract amount were approved by the City Engineer and not by the City Council prior to incurring the liability.

Cause

The City Engineer did not obtain change orders from the contractor and therefore, did not submit them to the City Council for approval prior to incurring the additional costs.

Recommendation

We recommend the City develop a tracking process for all projects to ensure continual review of all change orders and project costs.

Views of responsible officials and planned corrective actions

The City will develop a tracking process for all projects and track all change orders and project costs. Change orders will be submitted to the City Council for approval.

**2010-B**

Criteria or specific requirement

City personnel responsible for the accounting and reporting function should possess the necessary skills and knowledge to prepare financial statements and related footnotes in conformity with the cash basis and budget laws of the State of Kansas.

Condition

City personnel do not have the necessary skills and knowledge to apply statutory basis accounting principles in recording the entity's financial transactions or when preparing financial statements.

Effect

The City might not be able to report all transactions of the entity in accordance with the statutory basis of accounting. Transactions could occur and not be reported timely. Financial reports showing year-to-date transactions of the City could not be available to support all of the activities.

**CITY OF GREAT BEND, KANSAS**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2010

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**Cause**

Due to the limited size of **City of Great Bend, Kansas**, it is not practical to hire fully qualified staff to the extent they possess all of the skills required in order to apply generally accepted accounting principles when preparing financial statements, including relevant footnote disclosures.

**Recommendation**

Procedures should be established and implemented whereby City personnel continue to obtain training.

**Views of responsible officials and planned corrective actions**

City personnel will renew its efforts in receiving training through the Governmental Finance Officers Association (GFOA).

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**A. Material Weakness in Internal Control**

**2010-C**

**Information on the federal program**

The material weakness applies to all of the City's federal grants.

**Criteria or specific requirement**

City personnel responsible for receiving and administering federal awards should have the knowledge to be able to identify the name of each federal grant received (CFDA Title), the amount of federal grant revenue received and expended during the year, and the CFDA number. In addition to identifying this information, City personnel should have the knowledge to prepare appropriate financial statements, including the Schedule of Expenditures of Federal Awards, the Summary Schedule of Prior Audit Findings, and the Corrective Action Plan.

**Condition**

City personnel do not have the necessary skills and knowledge to identify all federal awards received and expended and to prepare the appropriate financial statements required under OMB A-133.

**Effect**

City personnel were not able to provide a materially correct listing which contained all of the federal awards received and expended during the year, including the federal programs (CFDA name and number) under which they were received.

**Cause**

A change in City personnel has occurred between grant years and procedures were not established for the new personnel to obtain the necessary training required to prepare the required information and appropriate financial statements.

**Recommendation**

Procedures should be established and implemented whereby City personnel obtain the necessary training to identify all federal awards received and expended and to prepare the appropriate financial statements.

**Views of responsible officials and planned corrective actions**

City departments will notify the Assistant City Administrator and City Clerk/Finance Director of all grants obtained and provide copies of grant documents. The City will contract with Adams, Brown, Beran & Ball,

**CITY OF GREAT BEND, KANSAS**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2010

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Chtd., Certified Public Accountants, to meet with the Assistant City Administrator and City Clerk/Finance Director to develop procedures to identify federal expenditures and properly report them on the schedule of federal expenditures.

**CITY OF GREAT BEND, KANSAS**  
Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2010

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**PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No material findings or questioned costs for the year ended December 31, 2009 are required to be disclosed under OMB Circular A-133.

**CITY OF GREAT BEND, KANSAS**  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2010

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Agency or Pass Through Number	Federal Expenditures
<b>Environmental Protection Agency</b>			
Direct Funding			
Congressionally Mandated Projects	66.202	XP987951 01	\$ <u>272,518</u>
<b>Department of Homeland Security</b>			
Direct Funding			
Assistance to Firefighters Grant	97.044	EMW-2009-FO-01711	<u>86,544</u>
<b>Department of Housing and Urban Development</b>			
Passed through the State Department of Commerce and Housing			
Community Development Block Grant - State's Program and			
Non-Entitlement Grants in Hawaii	14.228	86-BF-202 & 88-BF-219	92
Recovery Act - Community Development Block Grant/State's Program			
and Non-Entitlement Grants in Hawaii	14.255	09-RA-007	<u>326,812</u>
<b>Total Department of Housing and Urban Development</b>			<u>326,904</u>
<b>Department of Justice</b>			
Direct Funding			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2009-DJ-BX-1294	17,181
Recovery Act - Edward Byrne Memorial Justice Assistance Grant			
(JAG) Program/Grants to Units of Local Government	16.804	2009-SB-B9-3058	<u>1,655</u>
<b>Total Department of Justice</b>			<u>18,836</u>
<b>Department of Transportation</b>			
Direct Funding			
Airport Improvement Program	20.106	AIP 3-20-0027-17	3,325
Airport Improvement Program	20.106	AIP 3-20-0027-18	<u>263,557</u>
			266,882
Passed through State Department of Transportation -			
State and Community Highway Safety	20.600	OP-1107-10	<u>4,422</u>
<b>Total Department of Transportation</b>			<u>271,304</u>
<b>Department of Agriculture</b>			
Passed through Kansas State University			
Cooperative Forestry Assistance	10.664		<u>2,149</u>
<b>Total Expenditures of Federal Awards</b>			\$ <u><u>978,255</u></u>

See accompanying notes to schedule of expenditures of federal awards.

**CITY OF GREAT BEND, KANSAS**  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2010

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**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **City of Great Bend, Kansas**, and is presented on the basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than generally accepted accounting principles. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

**NOTE 2 – ECONOMIC DEVELOPMENT REVOLVING LOAN PROGRAM**

**City of Great Bend, Kansas** received funds through an Economic Development Revolving Loan Program in a prior year. During 2010, the City incurred \$92 in administration expenses for this grant. The total loans outstanding to local businesses as of December 31, 2010 were \$8,799.

**NOTE 3 – SUBRECIPIENTS**

**City of Great Bend, Kansas** has provided federal awards to the following subrecipients:

Barton County, Kansas - Edward Byrne Memorial Justice Assistance Grant Program, CFDA #16.738, total \$12,196.

**NOTE 4 – NONMONETARY EXPENDITURES**

Nonmonetary federal expenditures are reported in the schedule at the fair market value of the equipment received. At December 31, 2010, **City of Great Bend, Kansas** had received \$3,142 in equipment for the police department that is included in the schedule under the Department of Transportation CFDA Number 20.600.